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Dirk Kempthorne, Governor Toni Hardesty, Director

September 11, 2006

Mr. Earl Liverman U.S. Environmental Protection Agency 1910 Northwest Boulevard, Suite 208 Coeur d'Alene, Idaho 83814

Subject: Avery Landing, Avery, Idaho – EPA assistance with additional site evaluation and potential remedial activities

Dear Mr. Liverman:

The Avery Landing site is located in Avery, Shoshone County, Idaho. The site is approximately eight acres in size and is bordered to the south by the St. Joe River and to the north by the St. Joe River Road. The St. Joe River is designated as a special resource water and must not be degraded. Groundwater is located approximately eight feet below ground surface and flows south toward the river.

The site was used by the Chicago, Milwaukee, St. Paul, and Pacific Railroad (CMSPR) from 1909 to approximately 1977. CMSPR site activities included railroad equipment refueling and maintenance, and possibly storage of transformers. CMPSPR was the nation's largest electrified railroad. The site was purchased by Potlatch Inc., in 1980. Potlatch owns most of the contaminated property; other owners include the U.S. Highway Administration and David Thierault.

Potlatch has been addressing free product petroleum contamination using a recovery system at the site pursuant to the State of Idaho, Department of Environmental Quality (DEQ) Consent Order since 1994. The recovery system was implemented to prevent the migration of light non-aqueous phase liquids (LNAPL) from the site to the St. Joe River.

As agreed upon in the Consent Order, the focus on remediation and monitoring has been on the free petroleum product. During September 2005, LNAPL was observed seeping from the river bank causing a sheen on the river. Given the release, DEQ requested Potlatch to expand monitoring activities. Potlatch declined, believing that the scope of the current release did not justify expansion of the monitoring plan.



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Given the limited scope of the current Consent Order, DEQ is requesting EPA's assistance with respect to a more thorough and comprehensive site evaluation under relevant EPA authorities. DEQ would like to request an expanded site evaluation for potential soil and ground water contaminants that could be expected from operation of facilities that have historically been located at this site and were not included in the Consent Order. Based on the results of the site evaluation, DEQ would also like to request assistance in conducting any remedial activities if needed.

If EPA is agreeable to providing assistance on this site, the logical next step would be to schedule a meeting with Potlatch. The purpose of the meeting would be to have a more through review of the current status and discuss plans and roles of the various parties in moving forward to more fully address the site conditions. I look forward to hearing from you soon.

Sincerely,

Gary R. Stevens, P.G.

Environmental Hydrogeologist

Day 1 Stews

c: Doug Conde, Deputy AG Office, DEQ-Boise Joe Nagel, WP Section, DEQ-Boise

AVERY LANDING

The Avery Landing site is located in Avery, Shoshone County, ID. The site is approximately 1550 feet long and varies between 150 to 300 feet in width. The site is bordered to the south by the St. Joe River and to the north by the St. Joe River Road. (The St. Joe River is defined as a special resource water and must not be degraded.) Groundwater is located approximately 8 feet below ground surface and flow south toward the river.

The site was used by the Chicago, Milwaukee, St. Paul, and Pacific Railroad (CMSPR) from 1909 to approximately 1977. CMSPR site activities included railroad equipment refueling and maintenance, and possibly storage of transformers (CMPSPR was the nation's largest electrified railroad).

The site was purchased by Potlatch Inc., in 1980. Potlatch is suspected to own most of the contaminated property; other potential owners include the US Highway Administration and David Thierault.

Potlatch as been addressing free product petroleum contamination at the site pursuant to an IDEQ Consent Order since 1994. The recovery system, which was implemented in 2000, included installation of a containment wall and 27 monitoring and extraction wells to prevent the migration of LNAPL from the site to the St. Joe River.

As agreed upon in the Consent Order, the focus on remediation and monitoring has been on the free petroleum product. During September 2005, LNAPL was observed seeping from the river bank causing a sheen on the river. It is not yet known why the seepage is occurring (e.g., a tear in the containment wall and/or product flowing around or beneath the wall).

Given the previous use of the property as a railroad maintenance and refueling facility, it is likely that other contaminants besides free petroleum product hydrocarbons would be present on-site. To date, the remediation has been based on limited site delineation with no regard for dissolved phase petroleum hydrocarbons, other potential contaminants, and the geographic distribution of these contaminants. The fate and transport of other potential constituents and petroleum hydrocarbon phases, and the potential impact to the St. Joe River in not well-known; thus, without additional information, it is difficult to determine the present condition of the site and the effectiveness of the current containment system.

Given the release and limited scope of the Consent Decree, IDEQ requested Potlatch expand monitoring to include dissolved phase hydrocarbons, BTEX, and PAHs. Potlatch declined, believing that the scope of the current release did not justify expansion of the monitoring plan. Potlatch is currently willing only to complete some limited site investigation to address the suspected leakage from

the containment wall. However, given the unwillingness of Potlatch to expand beyond the current Consent Decree, IDEQ is requesting EPA's assistance with respect to compelling a more thorough and comprehensive site evaluation under CERCLA.